Second Annual Report

1991-1992

to the

British Columbia Legislature

BRITISH COLUMBIA HAZARDOUS WASTE MANAGEMENT CORPORATION

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ANNUAL REPORT

1991-1992

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TABLE OF CONTENTS

INTRODUCTION ..... PAGE 1

MANDATE ..... PAGE 3

ACTIVITIES ..... PAGE 5

AUDITOR'S REPORT ..... PAGE 11

BALANCE SHEET ..... PAGE 12

STATEMENT OF OPERATIONS AND RETAINED EXCESS ..... PAGE 13

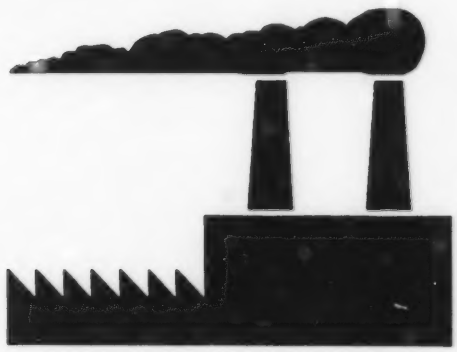
STATEMENT OF CHANGES IN FINANCIAL POSITION ..... PAGE 14

NOTES TO THE FINANCIAL STATEMENT ..... PAGE 15

INTRODUCTION

This is the second annual report of the British Columbia Hazardous Waste Management Corporation.

It details the activities and finances of the Corporation from April 1, 1991 to March 31, 1992. It should be noted that on March 26, 1992, the Government announced that all activities of the Corporation would be transferred to the Ministry of Environment, Lands and Parks and the Corporation subsequently closed.



MANDATE

The mandate of the Corporation is described in Section 3 of the British Columbia Hazardous Waste Management Corporation Act:

> *The purpose of the Corporation is to ensure the development, implementation and maintenance of a comprehensive waste management system in British Columbia.*

More specifically, the Corporation was designed to:

- ensure that all elements of the hazardous waste management system contribute to the goals of protecting the health and safety of the public and enhancing the quality of the environment in the present and in the future;
- encourage action in households, business, industry and government to minimize hazardous waste generation and maximize resource conservation through the promotion and facilitation of hazardous waste reduction, recycling, reuse and recovery at source and to thereby minimize the number of new hazardous waste management facilities that might be otherwise required;
- encourage economic development in British Columbia through the establishment of an effective and efficient hazardous waste management system and the enhancement of environmentally based enterprises;
- assist the private sector in developing and marketing hazardous waste management knowledge and technology developed in British Columbia; and
- promote public understanding of and participation in the management of hazardous wastes in general.

ACTIVITIES

Board of Directors

The Board of Directors met twelve times during the fiscal year.

Pesticide Container Collection

A permanent collection program was initiated after a successful pilot collection program in the Peace River Regional District with the cooperation of industry, agricultural organizations and the regional district. The project saw the establishment, by industry, of a voluntary fund for the collection and recycling of used pesticide containers. Due to the success of the pilot program, future plans included expansion to the Lower Fraser Valley for 1993.

Okanagan Waste Pesticide Survey

A government stakeholder meeting arranged by the Corporation recommended a pesticide waste survey to determine the extent of pesticide wastes in the Okanagan region. Initial survey results have indicated that further study is required to make an accurate assessment of the total quantity of unwanted chemicals currently in storage.

School Hazardous Waste

In order to prepare an inventory and to determine the generation rate of hazardous wastes in schools, the Corporation initiated a hazardous waste questionnaire with all school districts. The Corporation has received the survey results and will transfer this information to the Toxics Reduction Branch of the Ministry for toxic waste inventory information. The data is a prerequisite for the development of a comprehensive management system to deal with this waste stream.

Household Hazardous Waste Collection Events

As a pilot program, household hazardous waste collection events were held on a regular basis within eight municipalities. Altogether, 70 events were held, 6000 vehicles served and over 1500 drums of waste collected.

Information gathered was to be utilized to design a province-wide system to deal with household hazardous waste. In this regard, work progressed on defining an alternative solution with Regional Districts input.

Household Hazardous Waste Policy Committee

A joint committee of senior staff from BCHWMC, Ministry of Environment, Lands and Parks, Union of British Columbia Municipalities, Greater Vancouver Regional District, and Capital Regional District was established to address household hazardous waste and to promote partnering between key stakeholder groups. The committee developed a series of recommendations on the development and delivery of a province-wide household hazardous waste education program. These recommendations were presented at a Regional Districts Workshop hosted by the Corporation including a joint funding proposal for program implementation.

Western Canada Task Force on Hazardous Waste

A task force with membership from BCHWMC and counterpart organizations in Manitoba, Alberta, NWT, Saskatchewan, Yukon Territories, and Environment Canada was established to promote partnering between agencies performing similar tasks in other provinces and to establish synergies in the development of hazardous waste management systems and in the recommendation of consistent public policy initiatives. The task force produced a draft report on the inventory levels and generation rates of hazardous wastes in Western Canada.

Industrial Materials Exchange

The Corporation contracted with the Recycling Council of British Columbia ("RCBC") to conduct a study of North American waste exchanges and develop a strategic plan for an active and effective industrial material exchange in B.C. RCBC has been operating a passive industrial material exchange program since 1987. The Ministry of Environment, Lands and Parks, with its mandate to reduce municipal solid and biomedical waste and hazardous waste by 50% by the year 2000 and Environment Canada, with its mandate of expanding the Canadian waste exchange network, were also involved in the project.

West Coast Environmental Law Research Foundation Report

The Corporation sponsored a report by the West Coast Environmental Law Research Foundation. The report, entitled "*Preventing Toxic Pollution: Toward A British Columbia Strategy*", proposed broad outlines for a provincial government strategy for preventing toxic pollution in British Columbia. The report was distributed widely to government agencies, educational institutions, libraries, environmental groups, and interested groups and individuals.

Bioremediation of Anti-Sapstain Chemicals

A final report on bioremediation of sawdust contaminated with NP1, an antisapstain chemical used by sawmills, was received from B.C. Research Inc.. The report indicated that bioremediation was feasible for low concentrations of NP1 and that a combination of chemical extraction and bioremediation could produce material that could be de-listed and disposed of.

To further develop this methodology a group of industry representatives was invited to examine the results of this research, to determine the best course of action and to provide funding for the continuation of this project. The group included representatives from the major forestry groups and representatives from the anti-sapstain chemical manufacturers.

The group identified drafting of a de-listing procedure as the number one priority. Research on treatment methods could proceed only after a de-listing procedure was in place. The group will now initiate the process of developing this procedure

in conjunction with the Ministry of Environment, Lands and Parks.

Partnership with Industry

The Corporation continued meeting with companies who demonstrated interest in developing alternatives for recycling and treatment of various hazardous waste streams. The Corporation provided advice on regulatory procedures, information on the market conditions for each specific technology and viability of the proposed operations. In some specific cases, an evaluation of the proposed technology and company's track record were also carried out.

Waste Market Characterization Study

The Corporation undertook a hazardous waste market characterization study, a survey of generators of hazardous waste in B.C. The survey is directed to 311 different types of industries and institutions. These represent a cross-section of the B.C. industrial base. The objectives of the study are: to know how much hazardous waste is generated by each industry type; to identify treatment and disposal options for these wastes; to investigate current industrial activities and plans in 3R's management (reduce, re-use and recycle);
and to examine current treatment and disposal practices.

The information collected will be extrapolated to represent all industry in the province. The data is vital to identify the treatment and disposal options required for B.C., and to identify the industry sectors in which efforts in hazardous waste minimization should be concentrated. The study would also provide a baseline to assess progress in minimizing hazardous waste. Other information deriving from this study would allow identification of regional differences in waste production and of opportunities for waste exchange that have not been explored until now. In addition, the study would collect information to estimate the volumes of hazardous waste presently stored that await treatment and disposal.

Enviro-Expo Schools Contest

A multi-media contest open from grades 8-12 was initiated to raise the level of awareness of environmental pollution problems in B.C.. Students were invited to use a wide range of artistic expression to identify pollution problems and solutions. Apple Computer donated a computer and printer and Silver Star Mountain Resort donated a ski vacation as two of the prizes. Time Air, Norco Bikes, Science World and the Vancouver Canucks also contributed. Local awards ceremonies in each student's school were arranged.

Public Planning Process Document

Two consultants were engaged in October, 1991 to prepare a document that would design a public consultation process leading to the development of a province-wide waste management system. A final report, entitled *Planning Process: for an Open, Honest Consultative Process with Public Participation*, was submitted to the corporation in April 1992.

Community Relations

Professional staff undertook numerous speaking engagements on behalf of the corporation to both large groups such as the Board of Trade and to smaller, special interest groups. A number of media interviews were also given.

The BCHWMC information display booth was staffed by corporation personnel at a number of workshops, conferences and other events during the year.

Hazardous Waste Information Stickers were distributed widely to both groups and individuals.

Activities under Development

Several programs were under development when the decision to close the Corporation was announced. Information on these activities has been transmitted to the Ministry of Environment, Lands and Parks. These activities included:

(a) a pilot project that would measure the effects of a hazardous waste reduction program within a given community; and
(b) a pilot program in industrial waste minimization.

FINANCIAL STATEMENTS

BRITISH COLUMBIA HAZARDOUS WASTE MANAGEMENT CORPORATION

March 31, 1992

AUDITORS' REPORT

To the **Board of Directors**
Lieutenant Governor in Council, Province of British Columbia
Minister of Environment, Province of British Columbia

We have audited the balance sheet of **British Columbia Hazardous Waste Management Corporation** as at March 31, 1992 and the statements of operations and retained excess of revenues over expenses and changes in financial position for the year then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 1992 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Ernst & Young

Vancouver, Canada,
May 29 1992.

Chartered Accountants

British Columbia Hazardous Waste Management Corporation

BALANCE SHEET

	Year ended March 31, 1992 $	Eight months ended March 31, 1991 $
ASSETS		
Cash	**2,126,852**	811,639
Sustainable Environment Fund grant receivable	**—**	295,845
Other receivables	**56,506**	37,930
Prepaid expenses	**236**	10,562
Fixed assets *[note 4]*	**231,510**	441,156
	2,415,014	1,597,132
LIABILITIES AND RETAINED EXCESS OF REVENUES OVER EXPENSES		
Accounts payable and accrued liabilities	**1,364,028**	462,326
Retained excess of revenues over expenses	**1,051,076**	1,134,806
	2,415,104	1,597,132

See accompanying notes

On behalf of the Board:

Director

British Columbia Hazardous Waste Management Corporation

STATEMENT OF OPERATIONS

	Year ended March 31, 1992 $	Eight months ended March 31, 1991 $
REVENUES		
Sustainable Environment Fund grant	4,000,000	3,688,000
Interest income	113,289	36,886
	4,113,289	3,724,886
EXPENSES		
Operating expenses	1,363,171	868,451
Salaries and benefits	1,386,414	341,459
Office administration	788,114	1,025,429
Building occupancy	456,886	262,243
Depreciation	136,502	92,498
	4,131,087	2,590,080
Excess (deficiency) of revenues over expenses	(17,798)	1,134,806

STATEMENT OF RETAINED EXCESS OF REVENUES OVER EXPENSES

	Year ended March 31, 1992 $	Eight months ended March 31, 1991 $
Retained excess of revenues over expenses, beginning of period	1,134,806	Nil
Excess (deficiency) of revenues over expenses	(17,798)	1,134,806
Continuity of interest adjustment	(65,932)	—
Retained excess of revenues over expenses, end of period	1,051,076	1,134,806

See accompanying notes

British Columbia Hazardous Waste Management Corporation

STATEMENT OF CHANGES IN FINANCIAL POSITION

	Year ended March 31, 1992 $	Eight months ended March 31, 1991 $
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	(17,798)	1,134,806
Adjustment for items not involving a flow of cash:		
Depreciation	136,502	92,498
Change in non-cash working capital balances related to operations	1,189,297	117,989
Cash provided by operating activities	1,308,001	1,345,293
INVESTING ACTIVITIES		
Purchase of fixed assets	(17,698)	(533,654)
Proceeds on sale of fixed assets	24,910	—
Cash provided by (used in) investing activities	7,212	(533,654)
Increase in cash	1,315,213	811,639
Cash, beginning of period	811,639	—
Cash, end of period	2,126,852	811,639

See accompanying notes

British Columbia Hazardous Waste Management Corporation

NOTES TO FINANCIAL STATEMENTS

March 31, 1992

1. AUTHORITY

British Columbia Hazardous Waste Management Corporation is established under the Hazardous Waste Management Corporation Act (the Act). The principle role of the Corporation is the development, implementation and maintenance of a comprehensive hazardous waste management system in British Columbia through partnership with industry, business and local government.

The Act limited the lifespan of the Corporation to 5 years. The Corporation commenced operations on August 1, 1990.

2. TRANSFER OF OPERATIONS

On March 26, 1992 the Provincial government announced that all the operations of the Corporation would be reorganized and transferred to the Ministry of Environment, Land and Parks and the Corporation subsequently dissolved.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As prescribed by Section 12(7) of the Act, the financial statements of the Corporation are prepared according to generally accepted accounting principles.

Continuity of interest

Any non-arm's length reorganization and transfer of operations is accounted for using the continuity of interest method of accounting under which gains and losses on non-arm's length asset transfers are recorded directly in the statement of retained excess of revenues over expenses at the time of their transfer. Expenses related to the non-arm's length reorganization and transfer of operations are costs of continuing public sector operations and are classified according to their nature in the statement of operations.

Estimated future costs of reorganizing and transferring operations

Estimated future costs related to the reorganization and transfer of operations are accrued and expensed in the fiscal period in which the reorganization decision is made.

NOTES TO FINANCIAL STATEMENTS

March 31, 1992

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd.)

Grant funding

Grant funding was received from the Province of British Columbia through the Sustainable Environment Fund administered by the Ministry of Environment, Land and Parks.

Fixed assets

Fixed assets are recorded at cost less depreciation provided on the straight line basis as follows:

Computer equipment	3 years
Furniture and equipment	5 years
Leasehold improvements	5 years

Corporate income taxes

The Corporation is exempt from Federal and Provincial income taxes.

4. FIXED ASSETS

	Cost $	Accumulated depreciation $	Net book value $
1992			
Computer equipment	**240,123**	**133,402**	**106,721**
Furniture and equipment	**163,632**	**52,151**	**111,481**
Leasehold improvements	**19,553**	**6,245**	**13,308**
	423,308	**191,798**	**231,510**
1991			
Computer equipment	240,123	53,361	186,762
Furniture and equipment	197,753	26,367	171,386
Leasehold improvements	95,778	12,770	83,008
	533,654	92,498	441,156

NOTES TO FINANCIAL STATEMENTS

March 31, 1992

5. RELATED PARTY TRANSACTIONS

Grant funding was received from the Province of British Columbia through the Sustainable Environment Fund administered by the Ministry of Environment, Land and Parks.

The Corporation engages in transactions with other government agencies, departments and Crown Corporations on normal intra-government terms.

6. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform to the presentation adopted in the current year.